

NATIONAL RECOVERY ADMINISTRATION

**AMENDMENT TO
CODE OF FAIR COMPETITION
FOR THE
THROWING INDUSTRY**

AS APPROVED ON APRIL 19, 1934



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AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

THROWING INDUSTRY

As Approved on April 19, 1934

ORDER

MODIFICATION OF CODE OF FAIR COMPETITION FOR THE THROWING
INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of a modification of the Code of Fair Competition for the Throwing Industry, and the annexed report on said modification, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate, by reference, said annexed report and do find that said modification and the Code as constituted after being modified comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act. and do hereby order that said modification be and it is hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as modified, such approval and such modification to take effect ten days from the date hereof, unless good cause to the contrary is shown to the Administrator before that time and the Administrator issues a subsequent order to that effect.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

H. O. KING,
Division Administrator.

WASHINGTON, D.C.,
April 19, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: The attached revision of Section 4 of the Code of Fair Competition for the Throwing Industry has been made primarily so that the administrative provisions of this code will conform with the standard provisions contained in more recently approved codes.

The Code Administration Committee for the Throwing Industry originally submitted a provision providing only for the power to assess the industry for the cost of administering the code. A copy of their proposal was inserted in the weekly bulletin of the Throwsters Research Institute and sent to all members of the trade. This notice also stated that if anyone had any objections they should be filed in writing with the National Recovery Administration. No objections were received.

As long as this amendment was being made to the code, it was thought advisable to revise the entire administrative section as previously mentioned.

FINDINGS

The Deputy Administrator in his final report to me on said modification of said Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

(a) The modification of said Code and the Code as modified are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as modified complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) Section 7 and Subsection (b) of Section 10 thereof.

(c) The Throwsters Research Institute was and is an industrial association truly representative of the aforesaid Industry and that

said association imposed and imposes no inequitable restrictions on admission to membership therein and has applied for or consents to this modification.

(d) The modification and the Code as modified are not designed to and will not permit monopolies or monopolistic practices.

(e) The modification and the Code as modified are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said modification.

For these reasons, this modification has been approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

APRIL 19, 1934.

AMENDMENT TO CODE OF FAIR COMPETITION FOR THE THROWING INDUSTRY

The present Section 4 shall be deleted from the Code and the Following Section inserted in its place.

SECTION 4. *Administration.*—(a) To further effectuate the policies of the Act, a Code Administration Committee is set up to cooperate with the Administrator as a Planning and Fair Practice Committee for the Industry. This Committee shall consist of twelve members in addition to the President of the Throwsters Research Institute, Inc., who shall be chairman. The executive Secretary of the Throwsters Research Institute, Inc., shall serve as Secretary of the Code Administration Committee. There shall be at least one committee member chosen from each of the following groups of employers—commission throwsters of weaving yarns, commission throwsters of knitting yarns, rayon and/or cotton weavers, knitters, yarn dealers, and silk weavers.

(b) The Administrator shall appoint an impartial member or members not to exceed three in number who shall have no vote but shall in all other respects be members of the said Code Administration Committee.

(c) Employers shall be entitled to participate in and share the benefits of the activities of the Code Administration Committee and to participate in the selection of the members thereof by assenting to and complying with the requirements of this Code and sustaining their reasonable pro rata share of the expense of its administration. The reasonable share of the expense of administration shall be determined by the Code Administration Committee on the basis of volume of business and/or such other factors as may be deemed equitable and pro rated among all members, subject to approval by the Administrator. These funds shall be collected by and paid to the Code Administration Committee or its duly constituted agency for that purpose. Such funds shall be deposited in a special account and used only to defray the expense of administering this Code under the direction of the Code Administration Committee.

In voting for the Code Administration Committee each employer in this Industry, complying with the above requirements, shall have one vote for each 5000 spindles or fraction thereof operated by him and registered with the the Code Administration Committee.

(d) Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Administration Committee shall (1) impose no inequitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, by-laws, regulations, and any amendments when made thereto, together with such other information as to membership, organization and activities as the Administrator may deem necessary to effectuate the purposes of the Act.

(e) In order that the Code Administration Committee shall at all times be truly representative of the Industry and in other respects comply with the provisions of the Act, the Administrator may prescribe such hearings as he may deem proper; and thereafter if he shall find that the Code Administration Committee is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Code Administration Committee.

(f) Nothing contained in this Code shall constitute the members of the Code Administration Committee partners for any purpose. Nor shall any member of the Code Administration Committee be liable in any manner to anyone for any act of any other member, officer, agent or employee of the Code Administration Committee. Nor shall any member of the Code Administration Committee exercising reasonable diligence in the conduct of his duties hereunder, be liable to anyone for any action or omission to act under this Code, except for his own wilful misfeasance or non-feasance.

(g) If the Administrator shall determine that any action of the Code Administration Committee or any agency thereof is unfair or unjust or contrary to the public interest or to the Act, the Administrator may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by said Code Administration Committee or agency pending final action which shall not be effective unless the Administrator approves or unless he shall fail to disapprove after thirty days notice to him of intention to proceed with such action in its original or modified form.

(h) The Code Administration Committee shall have the following further powers and duties:

(1) To insure the execution of the provisions of this Code and to provide, subject to rules and regulations established by the Administrator, for the compliance of the industry with the provisions of the Act; Provided, however, that this shall not be construed to deprive duly authorized governmental agencies of their power to enforce the provisions of this Code or of the Act.

(2) To adopt by-laws and rules and regulations for its procedure and for the administration and enforcement of the Code.

(3) To use such trade associations and other agencies as it deems proper for the carrying out of any of its activities provided for herein, provided that nothing herein shall relieve the Code Administration Committee of its duties or responsibilities under this Code and that such trade associations and agencies shall at all times be subject to and comply with the provisions hereof.

(4) To secure from members of the Industry an equitable and proportionate payment of the reasonable expenses of maintaining the Code Administration Committee and its activities.

(5) To cooperate with the Administrator in regulating the use of any National Recovery Administration Code Insignia solely by those members of the industry who are complying with this Code.

(6) Based on conditions in the industry as they may develop, the Code Administration Committee shall present to the Administrator recommendations which will tend to effectuate the operation of the

provisions of this Code and the policies of the Act, and in particular along the following lines:

No. 1. Recommendations that it shall be within the power of the Code Administration Committee to further limit the machine hours after a trial period of 90 days if in its judgment, and upon the operating records received, it shall have become apparent that the resulting production is in excess of the needs of those who supply material for processing by the Throwing Industry, and further thereafter to restore or amend such machine hours as may from time to time become necessary. This provision for flexibility is essential for the Throwing Industry because it has no command over volume, being wholly dependent upon the demands and needs of the weaving, knitting and allied trades. This provision shall not apply to throwing machinery provided the yarn thrown thereon is for the employers' own use only in their own plants, and operating under the Code of Fair Competition for the Cotton Textile Industry.

No. 2. Recommendations that each employer who may wish to purchase or build throwing machinery, and any individuals or corporations desiring to establish plants of throwing machinery, may do so only after having procured from the Administration permission for such purchase or erection or for such establishment of plants; and the Code Administration Committee is hereby empowered to act as the agent of the Administration to receive applications for such permissions and to recommend the granting or withholding of same; and it shall be the duty of the Code Administration Committee in such proceeding to furnish the National Recovery Administration with a full and duly authenticated statement of the facts upon which its recommendation is based.

No. 3. Recommendation by the Code Administration Committee after study of the number of spindles to be operated by an employee on different classes of yarn upon the feasibility of establishing standards, to be reported to the National Recovery Administration.

Such recommendations, when approved by the Administrator, shall have the same force and effect as any other provisions of this Code.

Approved Code No. 54—Amendment No. 2.
Registry No. 274-1-01.

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